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CIA CAREER COUNCIL

31st Meeting

Thursday, 26 July 1956

DCI Conference Room
Administration Building

Present

Harrison G. Reynolds
Director of Personnel
Chairman

Matthew Baird
Director of Training
Member

25X1A9a

[REDACTED]
Assistant to the Inspector General
Alternate for IG, Member

25X1A9a

[REDACTED]
Chief, Admin Staff, OC
Alternate for D/CO, Member

25X1A9a

[REDACTED]
Chief of Operations, DD/P
Alternate for DD/P, Member

25X1A

[REDACTED]
Assistant to the DD/I (Admin)
Alternate for DD/I, Member

Lawrence K. White
Deputy Director (Support)
Member

25X1A9a

[REDACTED]
Executive Secretary

25X1A9a

[REDACTED]
Reporter

Guests

25X1A9a

[REDACTED] Deputy Director of Security
[REDACTED] Deputy Chief, Benefits & Casualty Division, OP
[REDACTED] Chief, Management Staff
[REDACTED], Deputy Director of Personnel

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..... The 31st meeting of the CIA Career Council convened at 4:00 p.m., 26 July 1956, in the DCI Conference Room, Administration Building, with Mr. Harrison G. Reynolds presiding

MR. REYNOLDS: The meeting will please come to order.

The first item on the agenda is the minutes of the 26th meeting, under Tab 1, for approval. Are there any comments, errors or omissions? Since we have such a long agenda today, if they are of a minor nature, if you will report them to us after the meeting we will make such corrections as are necessary. I hear no comments. They stand approved as reported herewith.

Item 2 is the minutes of the 27th meeting, and the same holds good for those minutes. The minutes of the 28th meeting were approved at a previous meeting. And then the 29th meeting was the insurance meeting, which was approved by tacit consent.

Item 3 is the minutes of the 30th meeting, under Tab 3. If there are no comments, errors or omissions they will stand approved as herewith reported to the Council.

25X1A9a

MR. [REDACTED] If anybody has any comments, if they will call me we will make the corrections.

25X1A9a

MR. REYNOLDS: There is a special item today on insurance, and we have invited Messrs. [REDACTED] to be present here today to take up this matter.

25X1A9a

Mr. [REDACTED] would you be good enough to start?

25X1A9a

MR. [REDACTED] This is a hospitalization problem, with particular reference to GHI. Don't fight this sheet of paper in front of you / Comparison of Current GHI Contract and new Mutual of Omaha Health Plan, which had been distributed at the meeting /. I will take you through the problem and make it much easier to get the problem on the table and get some possible solutions to the problem on the table.

25X9A2

The Board of Directors of GEHA considered this and have taken certain action, which I will tell you about. The problem originates in the Office of Security wherein a pretty strong position was taken with respect to the fact that there are about [REDACTED] employees of the Agency who have GHI - Group Hospitalization, Incorporated.

The other plan, as you know, is the Omaha one. Now the best way to pose the problem

25X1A9a to you is to have Mr. [REDACTED] take off from here.

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25X1A9a MR. [REDACTED] Briefly, around the first part of June the Board of Directors of GEHA asked us to check into the security situation as regards the policies that employees hold with GHI; and concurrently with that I received a report from the FBI. The investigation revealed this, that we have [REDACTED] contracts 25X9A2
 25X1A with Group Hospitalization, of which [REDACTED] are what are known as "Class A." A "Class A" contract is one where the identity of the individual is known to GHI, and is so listed in their records. Now in listing their records GHI has worked on the group plan pretty much, and they have a state group, and they have a war group, and then a commercial group. But we prevailed upon them in the original setting up of our relationship that they would not have a CIA group but would give us, instead, a number--and this is a prefix of our contract number, which is [REDACTED] 25X1A
 25X1A Now to outsiders the [REDACTED] does not designate CIA, but now, say, with GHI and through the hospitals which service these contracts - when the employees appear for treatment the [REDACTED] is identified as CIA, and that result being this: that GHI itself has 25X1A the names of [REDACTED] employees on this roster, and it would be quite easy and quite 25X1A simple for them out of that to compile the identity of [REDACTED] of our employees. I 25X1A do not know of any parallel situation through credit organizations or anything else where this same situation attains. This became a problem--doubly--when we had this Bureau FBI report. They reported an incident where an employee of GHI, in a conversation with an individual whom we now have identified as being interested in intelligence activities of a foreign embassy here in Washington, stated that she worked in the section where the roster of CIA employees was maintained, which would identify those employees. Now the Bureau is following through and doing some additional work on it. But that is one incident highlighting this problem.

Now when the Agency started out on its insurance program the GHI was already in existence. A number of employees had GHI with other departments, and when they transferred to CIA they transferred their GHI insurance plan with them. It was the best and the only thing available during that period. But now with the development of the Omaha program where the Agency administers the program, where there is no listing of the names of individual employees with the insurance company, where even though we are servicing, say, treatment requests and payment thereof to the different hospitals here in Washington, it is not possible that they can compile a list of CIA employees except on a very minor scale, and they would have to work at it quite a bit, as opposed to the GHI program where, without much difficulty, you

[REDACTED]

25X1A can compile [REDACTED] names. From a security standpoint we feel there is a risk element here in such a listing, and it was our recommendation to the GEHA Board that this situation did represent a risk and that some action ought to be taken, if possible, to alleviate this situation and work out some arrangement whereby we could eliminate the "Class A" type of insurance with GHI whereby all the names of employees are listed. Now our recommendation at that time was to try and, say, embrace the "Class B" plan which GHI has, of which we have about 600 members. Now that plan operates much the same as does the Omaha plan, where the Agency services the contracts, where GHI does not have a list of names, all they have is a list of numbers. But 25X1A the difficulty which is presented here, and which Mr. [REDACTED] can present, is that this transition would not be painless, because in the "Class B" category the benefits are less than those offered under "Class A." So any automatic transfer or direct transfer means the employee suffers under the benefits he may derive. And from our standpoint we have a security problem. The next step is the judgment as to whether, from the standpoint of the employee - the benefits derived, or the interests of the Agency transcend the risk element here and make this move imperative and necessary.

25X1A [REDACTED] The Board agreed to pose two questions to GHI. First, are 25X1A you willing for us to handle the "A Class" of [REDACTED] in the same manner as we handle the "B Class" in GHI? They said, "Yes, but you won't be doing your employees any favor, because the benefits are not nearly as good." We said, "We would like to have you answer if we could have the "A" benefits under "B" handling process and method" - and they said, "No, but . . ." - and I quote: ". . . we MIGHT BE WILLING to consider raising the B benefits" - but they would be nowhere near Omaha. So they went on to say, "But we don't want to do it. We are NOT an indemnity company." The heart of their planning is what they call "full benefit days" - and the heart of our problem is in Item No. 1 [referring to the comparison previously noted] - the first two comparisons, and leave Omaha out of it - Item No. 1 and Item No. 5 of "Current GHI Contract." The difference between A and B is shown in fairly simple English, but it needs a little interpretation. [Reading]

"Full cost of semi-private room (in participating hospital)
plus 16 named (allocated) extras for 31 days with 90-day
interval on frequency."

And in that list of allocated extras there is window dressing. There is significant omission of expensive extras which are common, and the individual gets in hospitalization those extras which are pertinent to his hospitalization, and if he has

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surgical he gets those which are pertinent to the surgical aspects of his case.

Now the comparison would be--right across--the Class B Overseas, Unvouchedered Funds: up to \$10 per day for 31 days with 90-day interval on frequency, plus \$84 for 16 allocated extras. There is the biggest part of the problem. Now we can't tell you, because they won't tell us, what they pay the hospitals. We are confident that they have a "deal" with the participating hospitals whereby they pay less than the market rate or the going rate. Therefore they have never been willing to release to us any information on that point at all, and therefore they get automatically propelled by our question into the indemnity business. If they say, "You can have \$10 here for Class A, or \$11 or \$12" - they are in the indemnity business, and they say, "We're NOT an indemnity company, we are a service company."

Now look at Item 5 - Maternity - for the second part of the problem. Now it reads the same except for the very last words, and the "No. 1 above" refers to the "No. 1 above" in both cases. Now our problem is: What are we going to do with these people that we are worrying about? Require them to take lesser benefits? Or put it up to them that one possibility is to consider Omaha?

So therefore I have put the Omaha comparison over here on the other side, and I should tell you that within the last month or two we have negotiated four improvements from Omaha. You will notice the rate for Omaha is \$7.40. It is effective September 1st, and it's 50¢ higher than GHI, which is \$6.90. In addition, we have got the overseas Class B Omaha--at the top of the page--up to \$13.50 per day for 90 days. In addition, we have eliminated the waiting period on maternity. In addition, we have got a change in No. 5 on Omaha, from \$9.00 to \$10.00 for pregnancy, for five cents. They had offered us a rate of \$7.35. The Board felt that this comparison with GHI on maternity was so important because of the high frequency of maternity, that we ought to make it \$10, the same as GHI has. And there you are. The rest of it is the same, pretty much, on GHI, domestic versus overseas, and the same with Omaha, but the differences in benefits on the two of them are very substantial.

Now, without taking you through all the benefits, as a comparison - first we should deal with the security question. Is it your opinion that this is a real security problem and a risk, and if so then how do you think we ought to handle this important point? I propose to you: (a) that it is a risk; (b) that we ought to get a firm answer from GHI, not an informal one--which was what I was

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(b)(1)

told--and if they won't make the benefits equal to Omaha that we write each GHI policy holder and tell him that the Agency takes a very dim view of the security problem here and "proposes to you that you accept the improved Omaha plan." That is about as far as I think we can go. Therefore, you have these three aspects of the problem, and I felt because there were so many employees involved, I asked Red [White] to have the matter considered here.

25X1A9a MR. [REDACTED] If you move over from GHI to Omaha, it means that the premium goes up this 50 cents - is that it? - per family? Is that really what is involved in terms of money?

MR. [REDACTED] Yes.

25X1A9a MR. [REDACTED] But they get greater benefits.

MR. [REDACTED] Then it's \$6.00 a year more per family?

25X1A9a MR. BAIRD: That is the ONLY disadvantage?

MR. [REDACTED] The only one I know.

MR. [REDACTED] Then in addition to getting extra security they get better benefits for the \$6.00 a year more - I would think most of them would want to do it.

25X1A9a MR. [REDACTED] I would, too.

25X1A9a MR. [REDACTED] Did we ever make a special pitch to the GHI people when the Omaha plan came in?

25X1A9a MR. [REDACTED] No. We considered it and the reason we did not do it is because we had not negotiated with Omaha to take it up immediately without a waiting period.

25X1A9a MR. [REDACTED] I would like to move we accept Mr. [REDACTED] proposal as 25X1A9a line of action, and that we proceed accordingly.

COLONEL WHITE: Second.

MR. BAIRD: Is it the proposal that we almost direct the employees to do this?

25X1A9a MR. [REDACTED] I don't like that word.

25X1A9a

MR. [REDACTED] That is not within our rights, but I think what Mr. [REDACTED]

had in mind was that we recommend they do this.

25X1A9a MR. [REDACTED] And the Agency deems it to be a security risk.

MR. [REDACTED] Is it not likely, John, that as the volume goes down in GHI, they may cancel?

25X1A9a MR. [REDACTED] They told us that they would do that.

MR. [REDACTED] And then everybody would have to take Omaha.

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25X1A9a COLONEL WHITE: We're not penalizing our people.

MR. [REDACTED] I think with the additional benefits it's the sensible thing to do.

25X1A9a MR. [REDACTED] If Omaha gets these [REDACTED] the spread is so much better, 25X9A2 so the chance of cutting the rate again next year is very good.

25X1A9a MR. REYNOLDS: Mr. [REDACTED] has moved and Colonel White has seconded the 25X1A9a proposal on the GHI-Omaha problem be approved.

25X1A9a Are you ready for the question?

MR. [REDACTED] I have two questions. Did I understand you to say that if you switched to GEHA there is no waiting period for maternity?

25X1A9a MR. [REDACTED] No waiting period - take them immediately.

MR. [REDACTED] The second question is, couldn't we make this more effective by stopping the Agency's part? In other words, the Agency does not sponsor Blue Cross or have a facility for collecting money from Blue Cross. Wouldn't it be more effective to stop the Agency from participating with GEHA?

25X1A9a MR. [REDACTED] Then it's 20% higher.

25X1A9a MR. [REDACTED] Is anybody actually buying GEHA now?

MR. [REDACTED] Yes.

MR. [REDACTED] Are the applications out of ignorance or what?

MR. [REDACTED] The reason is there were several significant points on which GHI had it over Omaha, which we have just negotiated out, but we have not done a real publicity job yet - but we plan to. I would like very much--if you ever get a moment--for you to keep these sheets and see that comparison yourself, between Omaha and GHI, both domestic and overseas, and I think you will be quite impressed with the kind of contract we have here.

MR. REYNOLDS: Are you ready for the question? Those in favor, please signify by saying "aye." Contrary minded? The motion is carried.

25X1A9a Thank you very much, Mr. [REDACTED]

25X1A9a MR. [REDACTED] It sounds like a good job, to me.

MR. REYNOLDS: A very good job.

25X1A Messrs. [REDACTED] then left the meeting

MR. REYNOLDS: The next item, Item 5, will be presented by Colonel White, and he will also present Item 6, which is re-numbered Item 5.

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COLONEL WHITE: As you know, we have had a Junior Officer Trainee Program operating under the Office of Training for sometime now, and for a year or two we have been trying to get the Junior Career Development Program off the ground. Really, the only essential, fundamental difference between the objectives of the two is that the JOT people all came into the Agency from the outside, and the JCD people all came into the program from inside the Agency.

About a couple of months ago the Inspector General made a study of the JOT Program and the JCD Program as related to the JOT Program. I won't go into a lot of details except to say that his comments about the JOT Program were laudatory and certainly indicated that it had fulfilled everything the Council had expected it to. One of his recommendations was that there should be people brought into the JOT Program from inside the Agency as well as outside the Agency, and, therefore, that the Junior Career Development Program, as such, should be eliminated and merged with the Junior Officer Trainee Program. This recommendation was concurred in by Training, Personnel and myself, and forwarded to the Director, along with other comments on the Program. General Cabell approved of that recommendation, subject to our directive that we prepare a "blueprint" which would spell out the roles to be played by the Office of Training and the Office of Personnel in the merged Program. That has been done and he has now approved of that procedure. However, when I forwarded it to him the last time for his approval, I pointed out to him that the Junior Career Development Program was set up by the Career Council and therefore I thought before it was finally signed off it should be brought here. So it's just that simple. I am not preparing papers on it, and unless someone feels that you need to have a more careful study, I would recommend that we go along with the merging of the two Programs. However, I'd like to say in the same breath that because we have recommended this based on an IG report, and based on General Cabell's approval, does not mean the Council is expected to rubber stamp it, unless you really feel that way.

25X1A9a MR. [REDACTED] Actually, the only difference is the slotting. They will still be run by the same group, won't they? By [REDACTED] Won't they?

25X1A9a COLONEL WHITE: Yes. And we have taken the ceiling completely off of JOT's. They have no ceiling. They can recruit as many JOT's as they can recruit, and enter them on duty.

Part of the IG's recommendation was that this Program should be

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expanded to an extent where we might be bringing in as many as 50% of our professional employees through this mechanism. That will take some time, but they have no ceiling problem.

25X1A9a MR. [REDACTED] : Does that mean the JCD also has no ceiling?

COLONEL WHITE: Right.

25X1A9a MR. [REDACTED] As a point of detail, Red, what is the volume of JOT's coming aboard now?

COLONEL WHITE: Matt, would you like to respond to that?

MR. BAIRD: We have 100 on board now.

25X1A9a MR. [REDACTED] I meant the rate of recruitment. About how many per month?

MR. BAIRD: Not many.

COLONEL WHITE: It isn't very large at the moment. We had something like less than 200 total in the Program up to now, Matt.

25X1A9a MR. [REDACTED] : It's been about 50 a year.

MR. [REDACTED] About 180.

MR. [REDACTED] : Total since the beginning.

25X1A9a MR. [REDACTED] This year I think it will probably recruit in excess of 50 - perhaps 65. Next year, in a stepped-up recruitment program we might be able to get in excess of 100.

25X1A9a MR. [REDACTED] One other question I'd like to ask: If this is going to be merged, then, in effect, the JOT would be the way most young men get into the Agency from now on, I would assume, from the description of this. Has there been any particular look given lately as to the criteria for selection? I have no criticism of it. I have absolutely no reason to criticize. I assume it is good. But in recent times have we had a look at it to be sure we are getting the types and kinds of people we need to keep some balance in this? I assume we are recruiting "All American Boys" but aside from that fact are we getting a reasonably representative number of characters?

25X1A9a MR. [REDACTED] It has been reviewed very carefully with both Training and Personnel very recently.

25X1A9a MR. [REDACTED] I would think with the standards as high as they have been, the recruitment would have to go down.

COLONEL WHITE: We feel that that is going to be difficult to do. That was Kirk's objective. What we have done or are doing is taking the experience factor in the major components by categories of personnel we have brought on duty

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here in the past three or four years and trying to project that through as our recruiting objective, and we will have to check that every 30 or 60 days to see how close we are coming, because if we don't find some way to broaden the base, either by bringing more people in from the outside or more people in from the inside, we will never hit it.

One thing I didn't go along with - in Kirk's memorandum on the subject there was a suggestion that we ought to enter into this Program more people who didn't appear to have the very top potential but would fit in the middle categories. Maybe this is highly theoretical, but my reaction is that we will make enough mistakes to take care of the people who don't quite get to the top, and that we shouldn't go out and recruit people who will be 11's and 12's and not go any further. We will find enough disappointments in people that we thought would go further, to take care of that.

I don't know how successful we are going to be in expanding it but Personnel and Training have a program worked out so that we can measure it as we go along.

MR. REYNOLDS: We're planning to have a brochure, for example, that Security has signed off on now, and I would look, Dick, to a better 1957 than 1956, with no lowering of the standards.

25X1A9a MR. [REDACTED] You see, what I had in mind, and this may not be a valid thought--it just came to me now--I could see where in taking a very few in you would have a very narrow focus, because it was compensated for by other recruitment, and things of that kind. So what was concerning me a little bit was whether this Program might give us too much of a certain type of American fellow and not enough interest in some second-generation Poles and Slovaks and Magyars, etc., who might have a little language and a few other things that would make them a little better for some of our types of work. Because, after all, the crew-cut boy from a certain type of college stands out pretty well on the horizon all around the world, and I'm not sure we want all of that type.

COLONEL WHITE: I suggested to Matt and Harry, and they both agreed with this idea, that we might and probably should broaden the selection machinery to include an Advisory Panel on which your [REDACTED] indicating Mr. [REDACTED] 25X1A9a 7 people and DD/I's people, and somebody from our side of the shop, would sit, as well as the people who actually run the Program, for that kind of thinking.

25X1A9a MR. [REDACTED] We certainly want to contribute to it. This is our life's blood that is being pumped into us here.

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COLONEL WHITE: But I do believe we are sort of kidding ourselves in having both of these Programs.

I would move the Inspector General's recommendation to merge the JOT and JCD Programs, under the principal jurisdiction of the Office of Training and with Personnel participation, be adopted.

25X1A9a MR. [REDACTED] Second.

MR. BAIRD: Don't you think you ought to make reference in your motion, Red, to the paper that is all ready prepared?

COLONEL WHITE: Yes.

MR. BAIRD: Because that is the blueprint.

COLONEL WHITE: We can put that in the motion.

MR. REYNOLDS: You have heard the motion, with the amendment suggested by Mr. Baird, and seconded by Mr. [REDACTED]

25X1A9a

. . . This motion was then passed . . .

MR. REYNOLDS: Next is Item 6, which is now Item 5.

25X1A9a COLONEL WHITE: We have had running along here at the same time the Senior Career Development Program under the Office of Personnel. [REDACTED] has done a very thoughtful and detailed study of this whole situation and if you have looked at it you can see how many people have been in it and where they came from, and so forth. The facts of life are that this has been a rubber stamp program which doesn't really serve any useful purpose, as I see it, except that it's a hell of a lot of bookkeeping down in the Office of Personnel. The facts are when somebody wants to use this it can be used and the Council has never had an opportunity to really dig into it and say, "Well, should this fellow go to Princeton for a year, or should he do this, that, or the other." So in fact anything ever proposed has always been approved. So it really has amounted to nothing more than a system of bookkeeping whereby certain components thought they were getting a free slot which they could not otherwise have had. The facts aren't actually that, because under our ceiling ground rules and under our training ground rules we are first of all required to keep 5% of our people in training. This number is just part of that 5%. And, secondly, when a person is in any kind of status away from the Agency or away from his regular job for a period of three months or more, he does not count against the ceiling.

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25X1A9a MR. [REDACTED] That is what I was going to ask.

COLONEL WHITE: So as far as I can see we are just engaged in an unnecessary lot of bookkeeping in a Program which this Council is supposed to be sponsoring but which in fact exercises no real judgment over. I don't see that it serves any purpose whatever, and I would like to recommend, as Rud has in his staff study, that this Program be eliminated.

25X1A9a MR. [REDACTED] In other words, when we want to transfer somebody to OCI and OCI wants to send somebody over to us - just handle it in a perfectly routine manner.

COLONEL WHITE: Yes.

25X1A9a MR. [REDACTED] We have been using this for the War Colleges, for language courses, etc. Now if they could be detailees--

25X1A9a MR. [REDACTED] I think you should modify this - if they are on leave without pay they don't count against the ceiling, but if they are paid but detailed somewhere, they do.

COLONEL WHITE: I am certainly willing to do that right here and now.

Here's the point: If they are gone for less than six months - you could put it that way - "for less than six months" - you can't recruit somebody to take his place, anyway, and if he's gone for more than six months he shouldn't count against the ceiling.

25X1A9a MR. [REDACTED] In other words, persons in the National War College won't count against the ceiling.

25X1A9a MR. [REDACTED] In the same way we now send people to ODM, for example.

25X1A9a MR. [REDACTED]: Shall we say for six months?

25X1A9a COLONEL WHITE: Yes.

MR. [REDACTED] The way it's put in the Regulation to describe detailees--

COLONEL WHITE: If he is gone from the Agency for more than six months on pay or without pay he doesn't count.

25X1A9a MR. [REDACTED] That would take care of Anacostia and Monterey.

25X1A9a [REDACTED]: What about the Staff Colleges - five months.

25X1A9a COLONEL WHITE: Make it three months, if you like.

MR. [REDACTED] I believe it's 30 days or 60 days--

25X1A9a MR. [REDACTED] If we could tie it into the existing Regulation--

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COLONEL WHITE: What do you want? 60 days?

25X1A9a MR. [REDACTED] I believe it's 30 days.

MR. [REDACTED] 30 days will make another kind of bookkeeping - of going in and out.

25X1A9a MR. [REDACTED] It won't create a problem if it's 30 days.

COLONEL WHITE: This is a mess and it doesn't serve any useful purpose the way it is.

25X1A9a MR. BAIRD: Red, I would like to ask a selfish question. I had hoped to use the Senior Career Development for the kind of thing I have embarked on with DD/P. Take a man like [REDACTED] -which we have discussed--he needs to get out to the DD/P. He has been in the Office of Training since OSS days, and he has got up in OTR to a grade 15 and is occupying a 17 slot. I want to get him to the DD/P. Well, the DD/P can't give him a job that is commensurate with his grade, but they can take him and put him in a GS-12 or 13 slot where he can be gainfully employed. How do I go about that unless I can put him in a Career Development slot?

COLONEL WHITE: You don't need a Career Development slot, because in your Career Service under the competitive promotion system you can have so many grade 15's, and if you want to put [REDACTED] in a grade 12 for training that 25X1A9a perfectly all right provided you in the Office of Training stay within the total number of grade 15's you have in that Service.

25X1A9a MR. BAIRD: Suppose I want to give him to the DD/P for two years?

MR. [REDACTED] You can double or triple "Black Duck" him and put him in a GS-12 slot.

MR. BAIRD: Leaving the grade of the slot out, how do I get him to the DD/P?

COLONEL WHITE: I think to use these for what I think you are talking about would be contrary to my concept. I think if a man is going to the DD/P to carry his weight in a job--I don't care what grade the job is--then he should not be free. That is the problem. Everybody will take a free slot. If he is going to be a grade 15 and you say he can't carry a grade 15 but he can carry a grade 14--okay, let him carry the 14, but I don't think that added to that you should have a free slot to go along with it.

25X1A9a MR. [REDACTED] Suppose you took the 27 slots and gave nine of them to each of the DD's to use themselves?

25X1A9a MR. [REDACTED] We went through that. That worked even less than this

did. Let's don't go back to that.

COLONEL WHITE: Let's face it, boys - this ceiling thing is a real thing. We're all up against it, and the Director is dead serious about this business, and we're not helping ourselves or helping him if we set up or tolerate gimmicks to get around it, because what he wants is pressure on the ceiling.

25X1A9a MR. [REDACTED] You're going to wipe these 27 jobs out?

COLONEL WHITE: Yes. They don't go to anybody. They're just cleaned out.

MR. BAIRD: If you're sure that by this exercise we are not wiping Career Development out--

25X1A9a COLONEL WHITE: I don't think so.

MR. [REDACTED] I don't think so, Matt.

MR. BAIRD: I can see sending a guy to the War College - that is easy. But I do feel it's going to hurt me.

25X1A9a MR. [REDACTED] I don't honestly think so, Matt, I swear I don't. I don't think--if you take the case of [REDACTED]-that it's going to be any more difficult 25X1A9a to place him as an active person occupying a slot than it is if you say, "Look, would somebody put him to work - and I'll send his slot with him." I don't think it's going to be essentially different. He is an unusual case. Most of them don't cause any flurry.

25X1A9a MR. BAIRD: I am perfectly willing to try it.

MR. [REDACTED] Matt has a very good point. We may have to--

25X1A9a MR. [REDACTED] I think we are going to have to be a little more liberal with each other.

25X1A9a MR. [REDACTED] That is the key.

MR. REYNOLDS: That is the key.

Would you care to put that in the form of a motion, Red?

COLONEL WHITE: Recommend the Senior Career Development Program be abandoned and that the slots now on the T/O of the Office of Personnel also be cancelled. And further, that whatever is consistent with regulations now in effect as to the time of personnel away from the Agency - are exempt from ceiling, regardless of their pay status.

25X1A9a MR. REYNOLDS: Do I hear a second?

MR. [REDACTED] Second.

. . . This motion was then passed . . .

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. . . Colonel White then left the meeting . . .

MR. REYNOLDS: The next item is Item 4 on your agenda, which is now Item 6.

I point out to you that this is the cross-fertilization in the Agency. This is the quarterly report on the activities of the Career Services, which is required by this Council of each one of the Deputies.

25X1A9a MR. [REDACTED] Copies of this go to the Heads of all Career Services and to the Executive Secretaries so that this technical and production data is available at the working level.

MR. REYNOLDS: This is for your information only and does not require a vote. I presume if you have any questions on it which have a bearing on all of us, they be asked now, otherwise we would be glad, in the Office of Personnel, 25X1A9a to take it up with you through Mr. [REDACTED] office. It's a very comprehensive, excellent report.

If there are no questions, we will go to the next item, Item 7. This you will recall was the subject that was discussed at the 28th meeting in which we had all the representatives of the Career Services throughout the Agency in here--the senior representatives. And this paper--Career Preference Outline-- was cut down to one sheet, in accordance with a unanimous request. And this 25X1A Regulation [REDACTED] we believe covers the field - Career Planning for Individuals.

There is only one question in it which has not been settled and that is whether or not it should be shown to the individuals. Some offices have already decided to show it to their people and they say they wish to continue to follow that practice.

25X1A9a MR. [REDACTED] I would suggest we have an Agency policy on this to avoid the business that we had on the previous Fitness Report where the whole Agency was different, one office from the other.

MR. REYNOLDS: I would vote for Colonel White by proxy, with whom I have discussed this, who feels that it should be shown to people.

MR. BAIRD: I feel strongly that way for my own Office.

25X1A9a MR. [REDACTED] This is the Career Preference Outline?

25X1A9a MR. REYNOLDS: That is right.

MR. [REDACTED] Is this showing before or after the supervisors have made their comments?

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25X1A9a

MR. REYNOLDS: After.

MR. [REDACTED] We are talking about the finished thing which goes into the file.

MR. [REDACTED] I'm all for it.

25X1A9a

MR. [REDACTED] That is the one thing I was not able to write into this because it was not settled at the Council meeting, although Mr. [REDACTED] and Mr. [REDACTED] 25X1A9a [REDACTED]

25X1A9a

MR. [REDACTED] Is there any reason why it shouldn't be optional?

25X1A9a

MR. [REDACTED] You remember the Fitness Report before the last one - it varied throughout, and we had office decisions, and some offices said, "Let the Division decide" - and I think that is a loose way to do it, particularly when I'm sure everybody believes that this should be shown and it's a moral obligation to show it.

25X1A9a MR. [REDACTED] had a point which I think is worthy of consideration right here. We have a mechanism for management talking to management through the Fitness Report, Potential, Part II, which is not shown to the individual. Therefore [REDACTED] point is that things which have to be said 25X1A9a cannot be said to the employee should be in there, but in the Career Preference Outline you don't have to put that sort of thing, and therefore you can and should show the Career Preference Outline, and keep it clean that way, so that people know, categorically, what is going to be shown and what is not going to be shown, and there is no longer any unrest or uncertainty and confusion.

25X1A9a MR. [REDACTED] I'd just as leave it be shown.

MR. BAIRD: I would like it to be shown, but I also feel, and this has a direct bearing on it, that in the Regulation under "GENERAL" in subparagraph a we should have some kind of a positive statement that there are three priorities in career development: that the first priority is the needs of the Agency, the second priority is the requirement that the Agency places on the component, and that after those two priorities have been met, then the priority of the individual's career development would be considered. And we ought to hammer on this. It should be there in the Regulation and on this Career Preference Outline someplace, because irrespective of how we feel about it, if the individual employee--GS-4 or GS-7--gets this he is going to say, "Boy, here is my chance to go to Harvard next year and to Yale the next."

25X1A9a MR. [REDACTED]: Won't this statement at the bottom of Form 1030, in the

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lower left-hand corner, satisfy? The Council hammered on that.

MR. BAIRD: Not at the bottom - at the TOP.

25X1A9a

MR. [REDACTED] We tried to get it over the man's signature.

MR. BAIRD: Let it be down there, too. But it's stated sort of negatively. Boy, here is a chance for the individual to go hog wild. I'd state it positively, right off the bat, that the individual really has a third priority in this, and then it gives us some leeway when we say to the individual, "No, we can't do all this in the Program you want. Here are the reasons: We have to stay in business and we have a production line--

25X1A9a

MR. [REDACTED] I think you can do that anyway, Matt.

MR. BAIRD: You can, Dick, but I think this helps set it in the right frame of reference so that the individual doesn't start off with thinking that anything he puts down he is going to get. I'd like to see it stated a little more positively. In the Regulation where it says, "with continuing satisfactory work performance and conduct on his part, just and equitable attention will be accorded to his personal progress" - that is where I think we ought to get in that, sure, we will do that if he keeps his nose clean, but the important thing is it has to be consistent with the needs and requirements of the Agency and the office in which he is working. I still think we can do a hell of a lot for the individual, but let's first of all make clear that he is working for an outfit first, and then for his career development second.

25X1A9a MR. [REDACTED] I think it can be stated more strongly, Matt. The reason we chose that language is because that is the language in the application for membership in the Career Staff. In other words, we stuck as close as we could to the obligations of membership in the Career Staff, from a language point of view.

MR. BAIRD: I may be belaboring a point but I think we would have fewer disappointments if the employee starts with the frame of mind that, yes, he is not going to get everything to meet his wishes, but the most important wishes to be met are those for the requirements of the Agency that the National Security Council gives to Mr. Dulles and Mr. Dulles puts on the office, and after those are met there is still room for career development, but not everybody is going to get what he wants, because of those limitations.

25X1A9a

MR. REYNOLDS: Any comments on Mr. Baird's feelings on this?

statements.

MR. [REDACTED] I would certainly buy any strengthening of any

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25X1A9a MR. REYNOLDS: Would you favor strengthening it, Dick?

MR. [REDACTED] I don't know. I'm twiddledee-and-twiddledum on this.

It seems pretty strong the way it is now. I see Matt's point very clearly and agree heartily. The only thing that concerns me at all is that if we pound it down too hard we will water down the Career Preference Outline and the fellow will get the idea - what's the sense in filling it out, they will tell us what they want anyway. I don't know where the happy medium is. I don't honestly have a strong view on it, whether we strengthen it or leave it the way it is.

25X1A9a MR. [REDACTED] It's a little bit academic to us because we have truly beat on our people for the last four or five years, and if you ask any one of them which comes first, they would say "the Organization." But it's taken four or five years to do that. So if it can be done more easily, I am in favor of it. It is most difficult to sell. Our people do believe in it, and I believe strongly in the concept.

25X1A9a MR. REYNOLDS: General [REDACTED] how do you feel about this?

25X1A9a GENERAL [REDACTED] Mr. Baird has a point. I wonder if it can be taken care of on the form itself either by capitalizing or underlining the needs of the Organization?

MR. BAIRD: You see, it's the "needs of the Organization" on these statements, that come last. I think they ought to come first, in this Career Preference Outline.

25X1A9a MR. [REDACTED] Well, this instruction sheet will go out with all of them, and that is to be torn off and thrown away. That was General [REDACTED] desire, 25X1A and I think a good one. Couldn't we put the strengthening in the "DESCRIPTION" and "PURPOSE" of the Career Preference Outline?

MR. BAIRD: Why not quote the Regulation in both places?

25X1A9a MR. [REDACTED] And put in the instructions to the supervisors: Make certain that in discussing this with your people you point out to them that this priority exists.

MR. REYNOLDS: It would seem to me--sitting here and hearing these arguments--that we could make the changes you suggest without hurting it, and I don't believe that the average man would say, "Well, what's the use in filling it out." I think there is a lot of desire to ride the gravy train, which we unfortunately see in our office more than anywhere else.

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25X1A9a GENERAL [REDACTED] This isn't a promise or a commitment - this is "for consideration."

MR. BAIRD: I think the Commo point of view, as expressed, is indicative that regardless of whether you say that, there is a feeling that grows up, and it's taken them a couple of years to disabuse it. We have been hammering at this in OTR for two years, also, but you would be surprised how often we have to go back to the individual, in spite of having stated it, and say, "Read not only the fine print but the BIG print."

MR. REYNOLDS: Therefore a motion would be in order on Mr. Baird's suggestion that three priorities should be placed in the instructions both to the man and the supervisors, and in the Regulation.

25X1A9a MR. [REDACTED] That ought to do it.

MR. REYNOLDS: Is that correct? Would you so move, Matt?

25X1A9a MR. [REDACTED]: The only question I had was the difference between the first two priorities. I didn't understand that.

MR. BAIRD: In the wording of it - Mr. Dulles is given a requirement by the National Security Council. To translate those requirements into CIA action he places requirements on the various components. Those are the two priorities. One is the priority on the Agency, and then, in varying degrees, those put on the components of the Agency. You have to count on some of these individuals to carry out those responsibilities. And after those two priorities the priority of the individual's wishes can be met.

25X1A9a MR. [REDACTED] Could we simplify it, Matt, by saying that there are two: the requirements of the Agency and the interests of the individual?

MR. BAIRD: Yes.

25X1A9a MR. [REDACTED] I believe it's plainer to the individual that way.

MR. REYNOLDS: May I suggest that this be written up in Mr. [REDACTED] 1A9a office and be shown to Mr. Baird, and then we will give a final approval at our next meeting.

25X1A9a MR. [REDACTED] Do we want to hold it up for another meeting?

MR. REYNOLDS: No, if Mr. Baird is satisfied with the language.

MR. BAIRD: I don't think it's up to me. Rud can give it over the telephone.

25X1A9a MR. [REDACTED] I'll work out something with you and then check with the

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others by telephone.

MR. BAIRD: I have no desire to hold this up.

25X1A9a MR. [REDACTED] I give Matt my proxy.

. . . This motion was then passed . . .

25X1A9a MR. [REDACTED] We will go to press on this Career Preference Outline in order to get it underway as fast as possible, and then we will circulate the regulation through the regular coordination channels.

MR. REYNOLDS: Now, the last item on the agenda.

Now the next paper is our own computation and the high spot of this is that we are now caught up, as far as we ever will be caught up, in membership in the Career Staff. In Part I of this paper you will see there were [REDACTED] people 25X9A2 eligible on the 30th of June, and there are only 1392 cases not acted upon, of which 700-odd are applications not returned. Only 236 applications have been returned. Now the problem that meets the Council here is what is going to be our procedure and what policy are we going to set up for those who have not been admitted to the Career Staff on performance - No. 1 - how do we handle that? We know what "intent" means, and "security consciousness" is a minor item. "Habitual indebtedness" - if we check back we will find 90% of those are colored. "Financial irresponsibility with Government funds" is infinitesimal, and "inter-personal relations" is small, and "inconsistency" doesn't amount to anything. Therefore, "performance" is the item here. Does this Council want to decide what to do about that?

25X1A9a MR. [REDACTED] The table shows the difference between B and C.

MR. BAIRD: I don't think they should be lumped together.

MR. REYNOLDS: There were 69 B's.

MR. BAIRD: The action taken should not be uniform--

MR. REYNOLDS: I don't think it is a question we can decide today, but I think it's a question that should be given very serious consideration as to what we are going to do. Why do we have this if we don't remove people who are unsatisfactory?

25X1A9a MR. [REDACTED] The C cases on the grounds of performance are the serious cases [REDACTED]

MR. [REDACTED] One of the things that troubles me--not to drag on this discussion--but the reason I would like to go along with the Chairman's motion

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here is that I was noticing one name on the list of a fellow who worked with me for a time and during that time I thought his performance was very good. Well, apparently somebody else didn't think it was good. But I wouldn't say that that guy deserved to be read out of the Organization, because I don't think he is in that category, at least from my personal knowledge, but somebody else apparently feels differently. But I think they need a little bit of individual attention before we develop a policy of getting rid of all the C's.

MR. BAIRD: Harry, wouldn't your Selection Board be able to recommend action to the Council on that?

25X1A9a MR. [REDACTED] I think the Selection Board ought to review the C cases more thoroughly and in more detail and make a positive recommendation to the Deputy concerned.

MR. REYNOLDS: I think that is the proper machinery for it.

25X1A9a MR. [REDACTED] Isn't the proper action just the reverse, for us to refer these to the Employment Review Board for review, not for disposal. We feel any C category should be reviewed to decide whether or not he should be continued--

25X1A9a MR. [REDACTED] You mean the new procedure - the Advisory Committee to the Director of Personnel?

25X1A9a MR. [REDACTED] Whatever mechanism there is to review.

MR. [REDACTED] That is short of the Employment Review Board. Maybe that IS the Committee. The Selection Board has already paid serious attention to these cases, and maybe an Advisory Committee composed of people who are not on the Selection Board should review the cases under this new separation procedure, and you will automatically get a double-check that way.

MR. BAIRD: I was trying to cut down on the amount of work that people have to do on the same GS-4 chauffeur, or GS-3. You have a lot of people spending a lot of time arriving at the B and C categories.

25X1A9a MR. [REDACTED] We have asked our Office to consider all B cases as to whether they should receive warning letters. There were some individuals made C by the Selection Board on which our Offices violently disagreed, and they wouldn't fire those people for anything. But that is all right. I think that is their decision.

MR. REYNOLDS: I'd like to make this suggestion--wearing my other hat and not as Chairman of this Council--that we as the Office of Personnel be directed to come up with a constructive, simple plan to handle this thing, at the next

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meeting of this Council, and submit it for approval to the three components.

25X1A9a MR. [REDACTED] Fine. Excellent.

MR. REYNOLDS: Is that satisfactory to all of you? If so, that is what we will do. I think we will have to do that, Vern [REDACTED] because 25X1A9a otherwise we will be spinning our wheels with boards and committee meetings. Somebody has to fish or cut bait.

25X1A9a MR. [REDACTED] I would like to have you keep these papers, but please remember that they are strictly numbered and "EYES ONLY", because there are names of people on here whose cases have not been settled, and we don't want those names to get around.

MR. REYNOLDS: The meeting is adjourned.

. . . The meeting adjourned at 5:05 p.m. . . .

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